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10/5/07 *Roxana P. Day*  
Roxana P. Day

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

In re Application of

Lawrence J. Torango

Serial No. 10/049,899

Filed: February 4, 2005

For: PROGRESSIVE SYSTEM AND METHODS

Art Unit: 3713

Examiner:

**LETTER**

To the Director of the Patent and Trademark Office

Sir:

An 11 September 2007 United States District Court Claim Construction Order in Torango Patent 6,241,608 is attached. The Court's Claim Construction Order may be of interest to the examiner of the present application.

Respectfully,

*JC Wray*

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Date: October 5, 2007

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UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA  
RENO, NEVADACYNTHIA JEAN GOFF as  
administrator of the estate  
of Lawrence J. Torango,

Plaintiff,

vs.

HARRAH'S OPERATING COMPANY,  
INC., HARVEY'S TAHOE  
MANAGEMENT COMPANY, INC.,  
HARRAH'S LAUGHLIN, INC.,  
ARISTOCRAT LEISURE LIMITED,  
ARISTOCRAT TECHNOLOGIES, INC.,  
AND INTERNATIONAL GAME  
TECHNOLOGY,

Defendants.

3:03-CV-0690-ECR-RAM

ORDER

United States Patent 6,241,608 ('608) lists Lawrence Torango as its owner. The Estate of Lawrence J. Torango, administered by Plaintiff Cynthia Goff, now owns that patent. Count VII of the Amended Complaint (#9), originally filed by Mr. Torango on January 30, 2004, seeks a declaratory judgment that Mr. Torango is the inventor of the invention claimed in the '608 patent. Defendant International Game Technology ("IGT") filed a Counterclaim (#301) on August 7, 2006 seeking a declaratory judgment that Torango had

1 assigned the '608 patent to IGT (Counterclaim II), and for  
2 correction of inventorship pursuant to 35 U.S.C. § 256  
3 (Counterclaim VII). The first step in resolving these claims is  
4 claim construction.

5 Pursuant to a Joint Claim Construction and Prehearing  
6 Statement (#512) filed by Plaintiff Goff and Defendant IGT, IGT and  
7 Goff filed their respective claim construction briefs (## 514, 515)  
8 on April 27, 2007 and their respective responses (## 521, 522) on  
9 May 18, 2007. When Defendants Harrah's and Aristocrat announced  
10 that they intended to take a position on the claim construction of  
11 the '608 patent at the claim construction hearing, this Court  
12 ordered (#566) that they file a brief prior to the Markman hearing.  
13 They filed their brief (#574) on July 23, 2007, to which IGT and  
14 Goff responded (## 581, 582) on July 27, 2007. The Court heard  
15 oral argument on July 31, 2007.

16 The claims will be construed as set forth below.

17  
18 **I. BACKGROUND**

19 The abstract of the patent describes the invention as follows:

20 A linked progressive gaming system and method of operation is  
21 disclosed that is capable of accepting wagers in different  
22 currencies and different denominations of the same currency  
23 and allowing players in diverse locations to play for common  
24 progressive prizes. The system periodically computes each  
25 current prize value using the data acquired from each gaming  
26 device, and displays the values at each location where  
27 participating gaming devices are located, in the currency used  
28 at each particular location. Multiple prizes may be supported  
simultaneously. Each gaming device may be linked to one or  
more prizes. Progressive prize award events may be triggered  
by random events associated with play based on wagers made on  
gaming devices or by the central system based on prize  
criteria exceeding a boundary limit. A Free Play apparatus is  
disclosed that allows non-progressive gaming devices, as well

1 as other traditional games, to participate in progressive  
2 play.

3 '608 Patent, page 1 (emphasis supplied). Similarly, the "summary  
4 of invention" section of the patent describes the objectives of the  
5 invention as follows:

6 One of the objectives of this invention is to allow players  
7 using gaming devices which accept wagers in different  
8 currencies or varying denominations within a particular  
9 currency, to share in the possibility of winning common  
10 progressive prizes. A critical element in the practical  
11 application of this objective is the ability to enable gaming  
12 devices or other gaming apparatus containing no linked  
13 progressive prize hardware or software logic, to be linked to  
14 progressive prizes. The linkage is enabled without  
15 modification to the essential characteristics of the gaming  
16 device or game apparatus as represented by the gaming device's  
17 hardware or software or the playing characteristics. [¶]  
18 Another objective of this invention is to teach a method  
19 whereby a boundary criterion such as a maximum value, or, an  
20 expiration date and time, or other criteria may be specified  
21 for a prize. Then, when random play has not created a prize  
22 award event by the time the boundary criteria is reached, the  
23 method enables the system to randomly select one or more of  
24 the current participants as a winner.

25 '608 Patent, 4:23-41 (emphasis supplied). Thus, and as is  
26 elaborated further by the patent specification, the patent  
27 generally suggests that Mr. Torango had invented both (1) a method  
28 of connecting many gambling machines and games together remotely  
and internationally, sharing a common prize pot to which the games  
would contribute despite differences in game mechanics, currencies,  
and local gaming regulations; and (2) a method that allows a prize  
to be awarded either non-deterministically (i.e., randomly, based  
on individual play) or deterministically (i.e., based on a boundary  
determined not by the random play on an individual game device, but  
rather on other criteria such as a date and time).

1 A central disputed issue in this claim construction is whether  
2 the '608 patent actually ends up stating a claim delimiting a  
3 method of awarding prizes either non-deterministically or  
4 deterministically as the specification, in our view, quite clearly  
5 suggests.<sup>1</sup> This question involves the language of Claim 10. On  
6 its face, Claim 10 describes a deterministic system in which a  
7 prize award is occasioned by a boundary. Plaintiff Goff argues  
8 that the claim must be construed as limited to a system that  
9 combines deterministic and non-deterministic elements.

10

## 11 II. DISCUSSION

### 12 A. Claim Construction Analysis Principles

13 "Because co-inventors need not contribute to the subject  
14 matter of every claim of the patent, inventorship is determined on  
15 a claim-by-claim basis." Gemstar-TV Guide Intern., Inc. v. Int'l  
16 Trade Comm'n, 383 F.3d 1352, 1381 (Fed. Cir. 2004).  
17 "[I]nventorship analysis, like an infringement or invalidity  
18 analysis, first requires the construction of each disputed claim to  
19 determine the subject matter encompassed thereby." Id. at 1381-82.  
20 Claim construction is a question of law reserved for the court.  
21 Markman v. Westview Instruments, Inc., 517 U.S. 370, 384 (1996).  
22 In construing a claim term, a court must give it the "ordinary and  
23 customary meaning" as that "term would have to a person of ordinary  
24 skill in the art in question at the time of the invention."

25

26

27 <sup>1</sup>For the reasons stated below, IGT's argument that the  
28 specification does not make this suggestion is without merit.

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1 Phillips v. AWH Corp., 415 F.3d 1303, 1312-13 (Fed. Cir. 2005) (en  
2 banc) (citations omitted).

3 Phillips notes that sometimes the ordinary meaning of a term  
4 to one skilled in the art is "readily apparent even to lay judges."  
5 Id. at 1314. For terms whose meanings are not readily apparent,  
6 Phillips advises:

7 the court looks to those sources available to the public  
8 that show what a person of skill in the art would have  
9 understood disputed claim language to mean. Those  
10 sources include "the words of the claims themselves, the  
11 remainder of the specification, the prosecution history,  
12 and extrinsic evidence concerning relevant scientific  
13 principles, the meaning of technical terms, and the state  
14 of the art."

15 Id. (citations omitted). The first three categories (claims,  
16 specification, and prosecution history) are considered intrinsic  
17 evidence, while everything existing outside of the patent and its  
18 history is considered extrinsic evidence. Vitronics Corp. v.  
19 Conceptronics, Inc., 90 F.3d 1576, 1582, 1584 (Fed. Cir 1986).

20 Of primary importance to discerning a term's meaning is the  
21 language of the claims which define the scope of the patent owner's  
22 property right. See Phillips, 415 F.3d at 1312 ("It is a 'bedrock  
23 principle' of patent law that 'the claims of a patent define the  
24 invention to which the patentee is entitled the right to  
25 exclude.'") (quoting Innova/Pure Water, Inc. v. Safari Water  
26 Filtration Systems, Inc., 381 F.3d 1111, 1115 (Fed. Cir. 2004)).

27 "In light of the statutory directive that the inventor provide  
28 a 'full' and 'exact' description of the claimed invention, the  
29 specification necessarily informs the proper construction of the  
30 claims." Id. at 1316. As stated by Phillips,

1 [u]ltimately, the interpretation to be given a term can  
2 only be determined and confirmed with a full understanding  
3 of what the inventors actually invented and intended to  
4 envelop with the claim. The construction that stays true  
5 to the claim language and most naturally aligns with the  
6 patent's description of the invention will be, in the end,  
7 the correct construction.

8 Id. (quoting Renishaw PLC v. Marposs Societa' per Azioni, 158 F.3d  
9 1243, 1250 (Fed. Cir. 1998)). The prosecution history of the  
10 patent, although considered intrinsic evidence and useful to the  
11 claim construction inquiry, is accorded slightly less weight. Id.  
12 at 1317.

13 Extrinsic evidence, which "can shed useful light on the  
14 relevant art," is considered "less significant than the intrinsic  
15 record in determining 'the legally operative meaning of claim  
16 language.'" Id. at 1317 (citations omitted). Extrinsic evidence  
17 "consists of all evidence external to the patent and prosecution  
18 history, including expert and inventor testimony, dictionaries, and  
19 learned treatises." Id.

#### 20 B. Relationship of the Claim to the Specification

21 On the one hand, the Federal Circuit has forcefully asserted  
22 that the claims in a patent "define the scope of the right to  
23 exclude [and] the claim construction inquiry, therefore, begins and  
24 ends in all cases with the actual words of the claim[.]" Renishaw,  
25 158 F.3d at 1248 (quoting Abtox, Inc. v. Exitron Corp., 122 F.3d  
26 1019, 1023 (Fed. Cir. 1997)). See also Scimed Life Systems, Inc.,  
27 v. Advanced Cardiovascular Systems, Inc., 242 F.3d 1337, 1340 (Fed.  
28 Cir. 2001) ("SciMed") ("one of the cardinal sins of patent law [is]  
reading a limitation from the written description into the

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1 claims"); Vitronics Corp. v. Conceptronic, Inc., 90 F.3d 1576, 1582  
2 (Fed. Cir. 1996) ("we look to the words of the claims themselves  
3 . . . to define the scope of the patented invention"); Markman v.  
4 Westview Instruments, Inc., 52 F.3d 967, 979-81 (Fed. Cir. 1995)  
5 (en banc) ("The written description part of the specification  
6 itself does not delimit the right to exclude. That is the function  
7 and purpose of claims."), aff'd 517 U.S. 370 (1996); McCarty v.  
8 Lehigh Val. R. Co., 160 U.S. 110, 116 (1895) ("The difficulty is  
9 that, if we once begin to include elements not mentioned in the  
10 claim, in order to limit such claim, and avoid a defense of  
11 anticipation, we should never know where to stop.").

12 On the other hand, the Federal Circuit has in numerous cases  
13 found that the specification does have a limiting effect on the  
14 scope of patent claims,<sup>2</sup> for the most part reconciling these  
15 findings with the axiom that claim construction "begins and ends in  
16 all cases with the actual words of the claim" by considering the  
17 claim terms to be "defined" by the specification. See Phillips,  
18 415 F.3d at 1316 ("our cases recognize that the specification may  
19 reveal a special definition given to a claim term by the patentee  
20 that differs from the meaning it would otherwise possess"). Where  
21 the inventor acts as his or her own lexicographer, "the inventor's  
22 lexicography governs." Id. After Phillips, it is clear that the  
23

24 <sup>2</sup>See Phillips, 415 F.3d at 1315 ("the specification 'is always  
25 highly relevant to the claim construction analysis. Usually, it is  
26 dispositive; it is the single best guide to the meaning of a disputed  
27 term.'" (quoting Vitronics, 90 F.3d at 1582); Microsoft Corp. v.  
28 Multi-Tech Systems, Inc., 357 F.3d 1340, 1347 (Fed. Cir. 2004) ("One  
purpose for examining the specification is to determine if the  
patentee has limited the scope of the claims.") (quoting Watts v. XL  
Sys., Inc., 232 F.3d 877, 882 (Fed. Cir. 2000)) (brackets omitted).

1 manner in which a term can be "defined" by the specification may be  
2 implicit. See MBO Laboratories, Inc. v. Becton, Dickinson & Co.,  
3 474 F.3d 1323, 1329 (Fed. Cir. 2007) ("The words of patent claims  
4 have the meaning and scope with which they are used in the  
5 specification and the prosecution history.") (emphasis supplied);  
6 SciMed, 242 F.3d at 1344 ("[T]he written description can provide  
7 guidance as to the meaning of the claims, thereby dictating the  
8 manner in which the claims are to be construed, even if the  
9 guidance is not provided in explicit definitional format.").

10 The Federal Circuit has also found "[i]n other cases" that  
11 "the specification may reveal an intentional disclaimer, or  
12 disavowal, of claim scope by the inventor." Phillips, 415 F.3d at  
13 1316.<sup>3</sup> In such a case, "the inventor has dictated the correct  
14 claim scope, and the inventor's intention, as expressed in the  
15 specification, is regarded as dispositive." Id. (emphasis  
16 supplied).<sup>4</sup> The extent to which particular claim terms in these  
17 "other cases" must be redefined by the disavowal is unclear. See  
18 Phillips, 415 F.3d at 1323 (characterizing the disavowal cases as a  
19 separate line of cases from the "lexicography" cases); CCS Fitness,  
20

21 <sup>3</sup>Although the Phillips court conspicuously avoided the phrase  
22 "clear disavowal," cases before and since have used that phrase. See,  
23 e.g., Andersen Corp. v. Fiber Composites, LLC, 474 F.3d 1361, 1373  
(Fed. Cir. 2007).

24 <sup>4</sup>The Phillips court repeatedly emphasized "the intention" of the  
25 inventor in this context, but it did not state how this intent is to  
26 be factored into an inquiry into the ordinary and customary meaning  
27 of the words of the claim. In light of the overall emphasis in the  
28 Phillips decision on the "ordinary meaning . . . to the ordinary  
artisan," 415 F.3d at 1321, it seems evident that the Phillips court  
was not intending to carve a subjective test into the standard applied  
in claim construction.

1 Inc. v. Brunswick Corp., 288 F.3d 1359, 1366-67 (Fed. Cir. 2002)  
2 (also discussing limitations based on "disavowal" of scope as  
3 distinct from limitations based on the inventor's "lexicography");  
4 see also SciMed, 242 F.3d at 1341 (where the specification "makes  
5 clear that the invention does not include a particular feature,  
6 that feature is deemed to be outside the reach of the claims of the  
7 patent, even though the language of the claims, read without  
8 reference to the specification, might be considered broad enough to  
9 encompass the feature in question."). In any case, Phillips  
10 reaffirmed that where there is a disavowal of scope in the  
11 specification, that disavowal is very simply "dispositive." 415  
12 F.3d at 1316.<sup>5</sup>

13 In Alloc, Inc. v. International Trade Commission, 342 F.3d  
14 1361 (Fed. Cir. 2003), the Federal Circuit provided some general  
15 guidance, announcing a broad test for claim limitations from the  
16 specification that turns largely on the language of the  
17 specification. That test is "whether the specification refers to a  
18 limitation only as a part of less than all possible embodiments or  
19 whether the specification read as a whole suggests that the very  
20 character of the invention requires the limitation be a part of  
21 every embodiment." Id. at 1370 (emphasis supplied). In its  
22 comprehensive discussion of claim construction in Phillips, the en  
23 banc panel neither cited the Alloc decision nor explicitly embraced  
24

25 <sup>5</sup>See also CCS Fitness, Inc. v. Brunswick Corp., 288 F.3d 1359,  
26 1367 (Fed. Cir. 2002) (describing definition and disavowal as two of  
27 four separate instances where interpretations of claim terms will  
28 depend on the specification, and further characterizing these as  
exceptions to the rule that claim terms will have their ordinary  
meaning).

1 Alloc's test.<sup>6</sup> The test has, however, been subsequently cited and  
2 applied on several occasions by the Federal Circuit. See, e.g.,  
3 Andersen Corp. v. Fiber Composites, LLC, 474 F.3d 1361, 1368 (Fed.  
4 Cir. 2007) (applying the test); see also Microsoft Corp. v.  
5 Multi-Tech. Sys., Inc., 357 F.3d 1340, 1368 (Fed. Cir. 2004)  
6 (applying the test prior to Phillips).

7 More generally, the Federal Circuit has also characterized the  
8 obligation to read claims in light of the specification and the  
9 prohibition against reading a limitation from the specification  
10 into the claim as "twin axioms" in "inherent tension,"  
11 Liebel-Flarsheim Co. v. Medrad, Inc., 358 F.3d 898, 904 (Fed. Cir.  
12 2004), requiring courts to negotiate a "balance." Alloc, 342 F.3d  
13 at 1370. The Circuit has repeatedly acknowledged that this balance  
14 is difficult to negotiate.' See, e.g., Phillips, 415 F.3d at 1323;  
15 Liebel-Flarsheim Co., 358 F.3d at 905; Comark Communications, Inc.  
16 v. Harris Corp., 156 F.3d 1182, 1186-87; SciMed, 242 F.3d at 1347  
17 (Dyk, J., concurring). It has even characterized the court's  
18 application of these twin axioms as akin to walking a "tightrope."  
19 Andersen Corp. v. Fiber Composites, LLC, 474 F.3d 1361, 1373 (Fed.  
20 Cir. 2007). However, at a high level of generality, the teaching  
21 of Phillips is that it is "entirely appropriate for a court, when  
22

23 <sup>6</sup>The Phillips court disapproved "either strictly limiting the  
24 scope of the claims to the embodiments disclosed in the specification  
25 or divorcing the claim language from the specification." 415 F.3d at  
26 1324. Read literally, without caution, the Alloc test appears to  
27 simply divorce the specification from the claim.

28 <sup>7</sup>By way of example, the en banc panel in Phillips embraced and  
affirmed the prior panel's understanding of the legal standard, which  
differed from the more formal standard propounded by the dissent, but  
it nevertheless reversed the outcome. 415 F.3d at 1310.

1 conducting claim construction, to rely heavily on the written  
2 description for guidance as to the meaning of the claims." 415  
3 F.3d at 1317 (emphasis supplied). Accord On Demand Machine Corp.  
4 v. Ingram Industries, Inc., 442 F.3d 1331, 1337-38 (Fed. Cir. 2006)  
5 ("[T]he court in Phillips, resolving conflict, stressed the  
6 dominance of the specification in understanding the scope and  
7 defining the limits of the terms used in the claim.") (emphasis  
8 supplied). See also Alloc, 342 F.3d at 1370 ("[T]his court  
9 recognizes that it must interpret the claims in light of the  
10 specification, yet avoid impermissibly importing limitations from  
11 the specification. That balance turns on how the specification  
12 characterizes the claimed invention.") (emphasis supplied).<sup>8</sup>

### 14 C. Claim 3

15 Before turning to Claim 10, we note that one term in Claim 3  
16 was in dispute when the parties filed their claim construction  
17 briefs. With the formerly disputed term underlined, the language  
18 of Claim 3 is as follows:

19  
20 <sup>8</sup>Clearly, generalizations remain hazardous. Compare On Demand  
21 Machine Corp., 442 F.3d at 1340 ("[T]he role of the specification is  
22 to describe and enable the invention. In turn, the claims cannot be  
23 of broader scope than the invention that is set forth in the  
24 specification.") (emphasis supplied), with Intamin Ltd. v. Magnetar  
25 Technologies, Corp., 483 F.3d 1328, 1335 (Fed. Cir. 2007) ("[A] narrow  
26 disclosure in the specification does not necessarily limit broader  
27 claim language."); Acumed LLC v. Stryker Corp., 483 F.3d 800, 805  
28 (Fed. Cir. 2007) (same). See generally Donald S. Chisum, CHISUM ON  
PATENTS § 18.03[2] (2007) (analyzing in some detail cases of the  
Federal Circuit between 2003 and 2004, noting that the Circuit  
oscillated between "literalist" and "contextualist" approaches to  
claim interpretation, and finding that the Federal Circuit's en banc  
decision in Phillips emphasizes contextualism); Jeffrey A. Lefstin,  
The Measure of Doubt: Dissent, Indeterminacy, and Interpretation at  
the Federal Circuit, 58 HASTINGS L.J. 1025 (2007).

1 3. A method of operating a progressive wagering system,  
2 the system comprising at least one device driver and a central  
system, the method comprising the following steps:

3 (A) the central system establishing a win number for a  
progressive prize;

4 (B) the central system transmitting the win number to the  
device driver; and

5 (C) the device driver qualifying all messages relating to  
acquisition data and prize related event conditions with the  
6 win number.

7 '608 Patent, 22:65-23:7.

8 The upshot of the differing proposed constructions and the  
9 arguments for and against them was that the parties disagreed about  
10 whether the win number played an "active" or a "passive" role in  
11 the method. Plaintiff Goff and Defendant IGT now agree, however,  
12 that "win number" means: "A unique number assigned the set of a  
13 progressive prize's system activity data used for the purpose of  
14 controlling the accumulation of wagers made to each prize-award  
15 event and any prize-related events." (Joint Brief Regarding  
16 7/31/07 Claim Construction Hearing 1 n.1 (#558).) This definition  
17 substantially comports with the definition in the specification and  
18 we therefore adopt it. See Phillips, 415 F.3d 1316 ("the  
19 inventor's lexicography governs").  
20

21 **D. Claim 10**

22 The claim and specification describe a method of organizing a  
23 gaming system in which every game (e.g., keno, bingo, or a table  
24 game) is connected to a "gaming environment manager," which in turn  
25 is connected to the central system that coordinates the game as a  
26 whole. With the disputed terms underlined, Claim 10 of the '608  
27 patent reads as follows:  
28

1 10. A method of operating a progressive wagering system, the  
2 system comprising a central system in communication with at  
3 least one gaming environment manager, comprising the following  
4 steps:

- 5 (A) determining a boundary for a progressive prize;  
6 (B) the central system determining when the progressive prize  
7 has achieved the boundary;  
8 (C) the central system sending a message to the gaming  
9 environment manager instructing it to detect play on a linked  
10 gaming device;  
11 (D) the gaming environment manager detecting play on a linked  
12 gaming device; and  
13 (E) the gaming environment manager creating a prize award  
14 event for the gaming device.

15 '608 Patent, 24:13-28.

16 Although the parties devote substantial argument to the first  
17 disputed term, "boundary," we construe these terms in the order  
18 that we deem to be the most logical and informative:

19 **1. Prize Award Event**

20 IGT would define a "prize award event" as a "predictable  
21 occurrence of awarding the progressive prize of Step (A)." Goff  
22 would define the term as "an occurrence of awarding the progressive  
23 prize of Step (A)." Oddly enough, however, IGT appears to argue  
24 that Goff's proposal is more or less acceptable. This is because,  
25 despite Goff's argument that the claim presupposes random play,  
26 Goff defines "prize award event" as an occurrence solely occasioned  
27 by Step A, which would seem to require that a "prize award event"  
28 be a solely deterministic outcome.

Again, notwithstanding Goff's proposed construction, Goff  
argues that the term "prize award event" cannot be construed as an  
exclusively deterministic, predictable outcome. We agree. First,  
in construing "prize award event" we look to the patent as a whole,

1 not simply the role that a prize award event has in Claim 10. The  
2 specification defines "prize award" as follows:

3 The condition that results from the win of a progressive prize  
4 on a gaming device and the subsequent prize award event that  
5 ensures all jurisdiction rules are enforced in regards to  
meter collection and calculation of the final prize amount.

6 '608 Patent, 7:28-32. This definition does not compel or even  
7 imply that the award is "predictable" based on a boundary and there  
8 is no reason to conclude that prize award event means an award  
9 occasioned by Step A. More tellingly, the term "prize award event"  
10 is used at various points in the specification in a manner that  
11 makes it clear that a prize may be triggered by either random play  
12 or a boundary. The abstract, for example, states:

13 Progressive prize award events may be triggered by random  
14 events associated with play based on wagers made on gaming  
devices or by the central system based on prize criteria  
exceeding a boundary limit.

15 '608 Patent, Abstract, page 1 (emphasis supplied). The  
16 specification later references the "prize award event" without  
17 mentioning a predictable boundary at all:

18 [T]his invention specifies a Free Play apparatus that uses the  
19 total wager amount, which may be represented in different  
20 currencies, and the wager amount of a specific bet made by a  
player, to dynamically compute the odds of a prize award  
event.

21 Id., 3:66-4:3. The specification also explains that it would be an  
22 advantage of the system to "force" a prize award event when a  
23 random prize does not occur:

24 Under certain circumstances, it would be advantageous to be  
25 able to establish a maximum amount of a prize, or to establish  
26 a date and time, or other criteria related to a boundary,  
beyond which a prize award event may be forced upon one or  
27 more participating players.

28

1 Id., 4:16-20; see also id. 5:1-7. We find no basis in the patent  
2 to conclude that the prize award events based on random play or on  
3 a boundary must be for separate progressive prizes as IGT briefly  
4 suggested at oral argument.<sup>9</sup> Indeed, the generic term "prize award  
5 event" appears to be used in the patent partly because of the  
6 possibility that a prize may be awarded by multiple criteria.

7 In sum, neither proposed construction uses "prize award event"  
8 as it is both explicitly and implicitly defined by the  
9 specification. We construe the term "prize award event" as  
10 follows: "An occurrence of awarding the progressive prize  
11 triggered either by random play or by the central system based on a  
12 boundary."

## 13 2. Boundary

14 IGT would have us define the term "boundary" as:

15 A criterion, such as a maximum value or an expiration date and  
16 time, utilized by the central system so that the central  
17 system may trigger a prize award event if the boundary is  
18 achieved.<sup>10</sup>

18 Goff, on the other hand, would have us define the term as:

19 A criterion, such as a maximum value or a date and time, that  
20 is used in triggering a prize award event when random play has

21 <sup>9</sup>The specification indicates otherwise, stating:  
22 Another objective of this invention is to teach a method whereby  
23 a boundary criterion such as a maximum value, or, an expiration  
24 date and time, or other criteria may be specified for a prize.  
25 Then, when random play has not created a prize award event by  
26 the time the boundary criteria is reached, the method enables  
27 the system to randomly select one or more of the current  
28 participants as a winner.

25 Id., 4:38-41.

26 <sup>10</sup>We note that this proposed language uses the word boundary in  
27 construing the word boundary, which is a practice that we do not  
28 accept.

1 not created the prize award event by the time the criterion is  
2 reached.

3 The parties' diverging definitions arise from two disputed issues:  
4 (1) whether the central system "triggers" the prize, and (2)  
5 whether the specification limits this claim's scope to  
6 implementations that first allow prizes to be awarded non-  
7 deterministically, and failing that, award them deterministically.  
8 We take up each issue in turn.

9 IGT's proposed language is framed in the active voice and  
10 states that the central system triggers the win. Goff's proposed  
11 language uses the passive voice - "that is used in triggering" - to  
12 avoid specifying the exact role of the central system.<sup>11</sup> Goff  
13 asserts that the claim and specification do not require that the  
14 central system store the boundary, and Goff's expert also points  
15 out that the prize will only be triggered if there is play on a  
16 device (Step D).

17 In Claim 10, the central system needs to determine whether the  
18 boundary has been met (Step B) in order for the prize to be awarded  
19 by the gaming environment manager in Step E. Thus, the central  
20 system utilizes the boundary even if, for whatever unexplained  
21 reason, it does not know what it is. Goff's arguments pertaining  
22 to other parts of the mechanism are not persuasive. But for Step  
23 B, there is no Step E, and the central system thus triggers Step E.  
24

25 <sup>11</sup>Goff's argument in support of the proposed language actually  
26 goes a step farther than Goff's proposed language. Goff argues that  
27 the central system does not trigger the award, whereas the language  
28 simply leaves it unclear what, other than the boundary, triggers the  
award.

1 The specification also indicates that Step B always results in Step  
2 E. '608 Patent, 20:34-38. Thus, in addition to being a trigger,  
3 Step B is both a necessary and a sufficient trigger for Step E - at  
4 least insofar as the method works as disclosed. The fact that game  
5 play is required does not mean that the central system does not  
6 cause Step E. In sum, we construe the central system as triggering  
7 the prize of Step E.

8 We next turn to the issue of the scope of Claim 10, an issue  
9 we touched upon in construing "prize award event." We agree with  
10 Goff that the term "boundary" is not clear within the confines of  
11 Claim 10. When considered within the context of the patent as a  
12 whole, however, the term is not particularly ambiguous or  
13 challenging. One does not need a particularly advanced education  
14 or training to comprehend that if  $X < Y$ , then Y provides a boundary  
15 for X. Based on the claim language, a criterion (e.g., X becomes  
16 greater than Y) could be anything that, if true, triggers the  
17 central system to send the message (Step C) that will ultimately  
18 result in a prize award on a gaming device (Step E).

19 IGT essentially argues that we should leave it at that. IGT's  
20 position is not entirely unreasonable when the claim language is  
21 read in isolation, but reading the patent as a whole, we do not  
22 agree.<sup>12</sup> In light of the usage of the term "prize award event" in  
23 Claim 10 it is absolutely clear that the claim's scope is not  
24 limited solely to a system utilizing a boundary. Our conclusion

25  
26 <sup>12</sup>In our view, this issue turns to a great extent on the claim  
27 construction principles that either a court or an ordinary artisan  
28 must apply to this claim. We have considered but do not weigh heavily  
the expert opinions that have been submitted.

1 that random play is required by the claim is derived from our  
2 reading of the specification as a whole, Alloc, Inc., 342 F.3d at  
3 1370, and most significantly, from the '608 patent's statements  
4 describing the advantages of this invention: "This invention  
5 introduces an element of predictability into the prize award event  
6 to facilitate the creation of progressive prizes associated with  
7 certain timed social events or other needs, while retaining the  
8 feature of randomly awarded prizes and more than one player winning  
9 a particular prize." '608 Patent, 20:5-9 (emphasis supplied).<sup>13</sup>  
10 IGT places great emphasis on the Federal Circuit's pre-Phillips  
11 statement that a "clear disavowal" must be in the form of "words or  
12 expressions of manifest exclusion or restriction." Liebel-  
13 Flarsheim Co., 358 F.3d at 906 (quoting Teleflex, Inc. v. Ficos  
14 North America Corp., 299 F.3d 1313, 1327 (Fed. Cir. 2002). Whether  
15 or not this standard survives Phillips, and good arguments can be  
16 made on either side of that issue,<sup>14</sup> we do not find that the  
17 Teleflex standard applies here. See On Demand Machine Corp., 442  
18 F.3d at 1340 (Fed. Cir. 2006) ("[W]hen the scope of the invention  
19

20 <sup>13</sup>With respect to this implementation of a boundary, the '608  
21 patent chiefly discusses and distinguishes United State Patent  
22 5,280,909 as the most closely related prior art. See '608 Patent,  
23 19:56-20:9. United States Patent 5,885,158 ('158) was disclosed in  
24 the prosecution of the '608 patent without comment. The parties  
disagree about whether the '158 patent anticipates the '608 patent as  
we construe it, and relatedly, they apparently also disagree about how  
to construe patent '158. We have considered these arguments for the  
limited purpose of construing the '608 patent but express no opinion  
at this time on these issues.

25 <sup>14</sup>See also Irdeto Access, Inc. v. Echostar Satellite Corp., 383  
26 F.3d 1295, 1302 (Fed. Cir. 2004) (cautioning that Teleflex and Liebel-  
27 Flarsheim must be read closely in light of their facts, and that the  
28 decisions do not stand for the principle that redefinition cannot be  
by implication).

1 is clearly stated in the specification, and is described as the  
2 advantage and distinction of the invention, it is not necessary to  
3 disavow explicitly a different scope.") (emphasis supplied);  
4 SciMed, 242 F.3d at 1344 (even where claim language could have been  
5 interpreted differently when read independently, a claim's scope  
6 must be read in light of the specification). Cf. Markman, 517 U.S.  
7 at 389 ("[A claim] term can be defined only in a way that comports  
8 with the instrument as a whole."); Markman, 52 F.3d at 978 (claims  
9 are part of "a fully integrated written instrument").

10 Accordingly, we adopt the following construction of the term  
11 boundary: "A criterion, such as a maximum value or a date and time,  
12 that the central system uses in triggering a prize award event when  
13 random play has not created the prize award event by the time the  
14 criterion is reached."

### 15 3. Linked Gaming Device

16 IGT would define a "linked gaming device" as "a gaming device  
17 associated with the progressive prize based on total wager amount."  
18 Goff would define it as "a gaming device qualified based on total  
19 wager amount to compete for the progressive prize."

20 The patent's specification defines "gaming device" as:

21 [a] device used as a game of chance where a player may place  
22 wagers to participate in play in return for the chance of  
23 winning prizes such as a slot machine. Also, devices that  
24 control games or other gaming devices such as the Free Play  
Apparatus used to control non-progressive gaming devices,  
keno, bingo, table games or others such as roulette.

25 '608 Patent, 7:5-10. The specification also succinctly defines  
26 "linked game" as: "[a] game that is associated with one or more  
27 progressive prizes." Id., 7:17-18 (emphasis supplied). In the  
28

1 context of Claim 3, the parties have stipulated that "associated"  
2 and "qualified" are synonymous. Goff now resists that equivalency  
3 in this claim.

4 In support of Goff's proposed language, she cites our prior  
5 construction of "total wager amount" in Patent 6,592,460:

6 The theoretical sum of all wagers made for each prize award  
7 event. The total wager amount must be of a value that will  
8 support all the criteria for the prize starting value,  
9 increment values, and any other values generated as a result  
of contribution percents applied against wagers. The total  
wager amount serves as a link between devices and a  
progressive prize.

10 (Order of Dec. 30, 2005 (#220), p. 14). Goff argues that, "given  
11 that total wager amount serves as a link between devices and a  
12 progressive prize, a 'linked gaming device' is not merely a gaming  
13 device 'associated' with the progressive prize based on total wager  
14 amount. A 'linked gaming device' is a gaming device 'qualified'  
15 based on total wager amount to compete for the progressive prize."  
16 (Plaintiff's Response (#522) 24.)

17 We are not persuaded that Goff's embellishment is necessary.  
18 The Federal Circuit has stated that "a claim term should be  
19 construed consistently with its appearance in other places in the  
20 same claim or in other claims of the same patent." Rexnord Corp.  
21 v. Laitram Corp., 274 F.3d 1336, 1342 (Fed. Cir. 2001); see also  
22 Phillips, 415 F.3d at 1314 ("claim terms are normally used  
23 consistently throughout the patent").

24 We adopt IGT's construction of "linked gaming device" as "a  
25 gaming device associated with the progressive prize based on total  
26 wager amount."

27 //

28

1 **III. CONCLUSION**

2 IT IS, THEREFORE, HEREBY ORDERED that the disputed claim terms  
3 are to be construed as set forth above.  
4

5 DATED: This 11th day of September, 2007.  
6

7 Edward C. Reed.  
8 UNITED STATES DISTRICT JUDGE  
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